



# COMMISSION NEWS

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ARIZONA CORPORATION COMMISSION, 1200 W. WASHINGTON, PHOENIX, AZ 85007

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TO: EDITORS, NEWS DIRECTORS  
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## **LAKE HAVASU COUPLE ORDERED TO PAY INVESTORS \$243,500 FOR MINING FRAUD**

PHOENIX – The Arizona Corporation Commission today ordered George Brian Stone and Shirley Burnett of Lake Havasu City, AZ to pay \$243,500 to investors for selling unregistered and fraudulent securities in a mining venture centered in the Mohave County area. Stone and Burnett consented to the order that also imposes a \$10,000 fine on the couple and requires that they refrain permanently from any securities-related activity in Arizona.

According to the Order, Stone and Burnett operated Mining Ventures International, a Nevada limited liability company. The two told investors that the company used special technology to extract micro-fine particles of gold that were unretrievable by standard mining methods. They raised money through the Internet and other contacts, claiming that they had a proven technology that would be extremely profitable. Investors were promised returns of at least 150% per year for as long as 72 years.

At least ten out-of-state investors sent money to Mining Ventures International

during 1998 and 1999, but never received any returns on the system. The Commission found that Stone and Burnett controlled all investor funds and took out regular sums in cash with no accounting given to investors.

George Brian Stone has a long history of trouble with authorities in Arizona, Idaho, Montana, Wisconsin and Florida relating to sale of investments in mining ventures. These problems date back to the mid-1980s and all of these ventures have failed.

In taking this action, Commission Chairman Carl Kunasek said, "The Internet can be a tool for investors or a danger to their financial well-being. This is just one case of what I fear will be many where the Internet is used to con people out of their hard-earned money." Commissioner Jim Irvin expressed concern for investors who implicitly trust what they find on the Internet. Commissioner Bill Mundell stated, "Unsuspecting investors have frequently fallen prey to unscrupulous solicitors. Many solicitors use the internet to anonymously rip off those who don't thoroughly investigate 'opportunities'." The Commission encourages the public to safeguard their money by checking out the purported claims and calling the Securities Division.

"The Securities Division is addressing the problem of Internet investment fraud by dedicating personnel to a special Internet fraud enforcement team," Mark Sendrow, director of the Commission's Securities Division added. "Their efforts will focus on finding, stopping and prosecuting people who violate Arizona securities laws through Internet offers."

The Commission urges investors to be careful with information they receive on investments, whether by Internet, telephone or the mail. The same rules apply: investments need to be registered with the Commission and the salesperson needs to be licensed by the Commission to make the sales. Pamphlets and information regarding Internet fraud and mining schemes can be obtained from the Securities Division by calling 602-542-4242, or toll free at 1-877-811-3878. The Division also has a web site located at [www.ccsd.cc.state.az.us](http://www.ccsd.cc.state.az.us).